



DEPARTMENT OF THE TREASURY

Office of Foreign Assets Control

31 CFR Part 542

Syrian Sanctions Regulations

AGENCY: Office of Foreign Assets Control, Treasury.

ACTION: Final rule.

SUMMARY: The Department of the Treasury's Office of Foreign Assets Control is amending the Syrian Sanctions Regulations to authorize by general license certain activities relating to publishing, not already exempt from regulation, that support the publishing and marketing of manuscripts, books, journals, and newspapers in paper and electronic format.

DATES: Effective: [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

FOR FURTHER INFORMATION CONTACT: Assistant Director for Licensing, tel.: 202/622-2480, Assistant Director for Policy, tel.: 202/622-6746, Assistant Director for Regulatory Affairs, tel: 202/622-4855, Assistant Director for Sanctions Compliance & Evaluation, tel.: 202/622-2490, Office of Foreign Assets Control, or Chief Counsel (Foreign Assets Control), tel.: 202/622-2410, Office of the General Counsel, Department of the Treasury (not toll free numbers).

SUPPLEMENTARY INFORMATION:

Electronic and Facsimile Availability

This document and additional information concerning OFAC are available from OFAC's website (www.treasury.gov/ofac). Certain general information pertaining to OFAC's sanctions programs also is available via facsimile through a 24-hour fax-on-demand service, tel.: 202/622-0077.

Background

On April 5, 2005, the Office of Foreign Assets Control (OFAC) issued the Syrian Sanctions Regulations, 31 CFR part 542 (the "Regulations") (70 FR 17201, April 5, 2005), to implement Executive Order 13338 of May 11, 2004 (69 FR 26751, May 13, 2004) (E.O. 13338), pursuant to, inter alia, the International Emergency Economic Powers Act (50 U.S.C. §§ 1701 et seq.) (IEEPA). On May 2, 2014, OFAC amended the Regulations to implement Executive Order

13399 of April 25, 2006 (71 FR 25059, April 28, 2006) (E.O. 13399), Executive Order 13460 of February 13, 2008 (73 FR 8991, February 15, 2008) (E.O. 13460), Executive Order 13572 of April 29, 2011 (76 FR 24787, May 3, 2011) (E.O. 13572), Executive Order 13573 of May 18, 2011 (76 FR 29143, May 20, 2011) (E.O. 13573), Executive Order 13582 of August 17, 2011 (76 FR 52209, August 22, 2011) (E.O. 13582), and Executive Order 13606 of April 22, 2012 (77 FR 24571, April 24, 2012) (E.O. 13606). Today, OFAC is amending the Regulations to authorize certain activities relating to publishing.

With certain exceptions, the exportation or importation of information or informational materials to or from any country is exempt from regulation by the President under IEEPA. See 50 U.S.C. 1702(b)(3); 31 CFR § 542.211(b). OFAC is issuing a new general license set forth at 31 CFR 542.532 to authorize, subject to certain limitations, transactions not already exempt from regulation that support the publishing and marketing of manuscripts, books, journals, and newspapers, in paper or electronic format.

Public Participation

Because the amendment of the Regulations involves a foreign affairs function, Executive Order 12866 and the provisions of the Administrative Procedure Act (5 U.S.C. 553) requiring notice of proposed rulemaking, opportunity for public participation, and delay in effective date are inapplicable. Because no notice of proposed rulemaking is required for this rule, the Regulatory Flexibility Act (5 U.S.C. 601-612) does not apply.

Paperwork Reduction Act

The collections of information related to the Regulations are contained in 31 CFR part 501 (the “Reporting, Procedures and Penalties Regulations”). Pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3507), those collections of information have been approved by the Office of Management and Budget under control number 1505-0164. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection of information displays a valid control number.

List of Subjects in 31 CFR Part 542

Administrative practice and procedure, Exports, Foreign trade, Information, Services, Syria.

For the reasons set forth in the preamble, the Department of the Treasury’s Office of Foreign Assets Control amends 31 CFR part 542 as set forth below:

PART 542—SYRIAN SANCTIONS REGULATIONS

1. The authority citation for part 542 continues to read as follows:

Authority: 3 U.S.C. 301; 31 U.S.C. 321(b); 18 U.S.C. 2332d; 22 U.S.C. 287c; 50 U.S.C. 1601-1651, 1701-1706; Pub. L. 101-410, 104 Stat. 890 (28 U.S.C. 2461 note); Pub. L.

110-96, 121 Stat. 1011 (50 U.S.C. 1701 note); E.O. 13338, 69 FR 26751, 3 CFR, 2004 Comp., p. 168; E.O. 13399, 71 FR 25059, 3 CFR, 2006 Comp., p. 218; E.O. 13460, 73 FR 8991, 3 CFR 2008 Comp., p. 181; E.O. 13572, 76 FR 24787, 3 CFR 2011 Comp., p.236; E.O. 13573, 76 FR 29143, 3 CFR 2011 Comp., p. 241; E.O. 13582, 76 FR 52209, 3 CFR 2011 Comp., p. 264; E.O. 13606, 77 FR 24571, 3 CFR 2012 Comp., p.243.

Subpart E—Licenses, Authorizations, and Statements of Licensing Policy

2. Add new § 542.532 to read as follows:

§ 542.532 Authorized transactions necessary and ordinarily incident to publishing.

(a) Subject to the restrictions set forth in paragraphs (b) through (d) of this section, U.S. persons are authorized to engage in all transactions necessary and ordinarily incident to the publishing and marketing of manuscripts, books, journals, and newspapers in paper or electronic format (collectively, “written publications”). This section does not apply if the parties to the transactions described in this paragraph include the Government of Syria or any other person whose property and interests in property are blocked pursuant to § 542.201. For the purposes of this section, the term “Government of Syria” includes the state and the Government of the Syrian Arab Republic, as well as any political subdivision, agency, or instrumentality thereof, which includes the Central Bank of Syria, and any person acting or purporting to act directly or indirectly on behalf of any of the foregoing with respect to the transactions described in this paragraph. For the purposes of this section, the term “Government of Syria” does not include

any academic or research institutions and their personnel. Pursuant to this section, the following activities are authorized, provided that U.S. persons ensure that they are not engaging, without separate authorization, in the activities identified in paragraphs (b) through (d) of this section:

(1) Commissioning and making advance payments for identifiable written publications not yet in existence, to the extent consistent with industry practice;

(2) Collaborating on the creation and enhancement of written publications;

(3)(i) Augmenting written publications through the addition of items such as photographs, artwork, translation, explanatory text, and, for a written publication in electronic format, the addition of embedded software necessary for reading, browsing, navigating, or searching the written publication; and

(ii) Exporting embedded software necessary for reading, browsing, navigating, or searching a written publication in electronic format, provided that the software is designated as “EAR99” under the Export Administration Regulations, 15 CFR parts 730 through 774 (the “EAR”), or is not subject to the EAR;

(4) Substantive editing of written publications;

(5) Payment of royalties for written publications;

(6) Creating or undertaking a marketing campaign to promote a written publication; and

(7) Other transactions necessary and ordinarily incident to the publishing and marketing of written publications as described in this paragraph (a).

(b) This section does not authorize transactions involving the provision of goods or services not necessary and ordinarily incident to the publishing and marketing of written publications as described in paragraph (a) of this section. For example, this section does not authorize U.S. persons:

(1) To provide or, if involving blocked property, to receive individualized or customized services (including accounting, legal, design, or consulting services), other than those necessary and ordinarily incident to the publishing and marketing of written publications, even though such individualized or customized services are delivered through the use of information or informational materials;

(2) To create or undertake for any person a marketing campaign with respect to any service or product other than a written publication, or to create or undertake a marketing campaign of any kind for the benefit of the Government of Syria;

(3) To engage in the exportation or, if involving blocked property, the importation of goods to or from Syria other than the exportation of embedded software described in paragraph (a)(3)(ii) of this section; or

(4) To operate a publishing house, sales outlet, or other office in Syria.

Note to paragraph (b) of § 542.532: The importation from Syria and the exportation to Syria of information or informational materials, as defined in § 542.307, whether commercial or otherwise, regardless of format or medium of transmission, are exempt from the prohibitions and regulations of this part. See § 542.211(b).

(c) This section does not authorize U.S. persons to engage the services of publishing houses or translators in Syria that involves dealing in property unless such activity is primarily for the dissemination of written publications in Syria.

(d) This section does not authorize:

(1) The exportation from or, if involving blocked property, the importation into the United States of services for the development, production, or design of software;

(2) Transactions for the development, production, design, or marketing of technology specifically controlled by the International Traffic in Arms Regulations, 22 CFR parts 120 through 130 (the “ITAR”), the EAR, or the Department of Energy Regulations set forth at 10 CFR part 810;

(3) The exportation of information or technology subject to the authorization requirements of 10 CFR part 810, or Restricted Data as defined in section 11 y. of the Atomic Energy Act of 1954, as amended, or of other information, data, or technology the release of which is controlled under the Atomic Energy Act and regulations therein;

(4) The exportation of any item (including information) subject to the EAR where a U.S. person knows or has reason to know that the item will be used, directly or indirectly, with respect to certain nuclear, missile, chemical, or biological weapons or nuclear-maritime end-uses as set forth in part 744 of the EAR. In addition, U.S. persons are precluded from exporting any item subject to the EAR to certain restricted end-users, as set forth in part 744 of the EAR, as well as certain persons whose export privileges have been denied pursuant to parts 764 or 766 of the EAR, without authorization from the Department of Commerce; or

(5) The exportation of information subject to licensing requirements under the ITAR or exchanges of information that are subject to regulation by other government agencies.

John E. Smith,
Acting Director, Office of Foreign Assets Control.

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